



U.S. Department of Education  
Office of Inspector General

# Higher Education Emergency Relief Fund Reporting Requirements

February 26, 2021  
ED-OIG/I20DC0013

*ED OIG Oversight of Coronavirus Aid, Relief, and Economic Security Act Funding*



## **NOTICE**

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**UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF INSPECTOR GENERAL**

Audit Services

February 26, 2021

**TO:** Michelle Asha Cooper, Ph.D.  
Acting Assistant Secretary  
Office of Postsecondary Education

**FROM:** Bryon S. Gordon /s/  
Assistant Inspector General for Audit

**SUBJECT:** Final Report, "Higher Education Emergency Relief Fund Reporting Requirements,"  
Control Number ED-OIG/I20DC0013

Attached is the subject final report that consolidates the results of our review of the Higher Education Emergency Relief Fund Reporting Requirements. We received your comments agreeing with the suggestions in our draft report.

We appreciate your cooperation during this review. If you have any questions, please contact Michele Weaver-Dugan at (202) 245-6941 or Michele.Weaver-Dugan@ed.gov.

Attachment

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## Introduction

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020. It authorized more than \$2 trillion to battle Coronavirus Disease 2019 (COVID-19) and its economic effects. The CARES Act provides \$31 billion for an Education Stabilization Fund to prevent, prepare for, and respond to COVID-19, domestically or internationally, including \$17 billion for State and local agencies and \$14 billion for the Higher Education Emergency Relief Fund (HEERF).

### Higher Education Emergency Relief Fund

Congress set aside \$14 billion of the \$31 billion allotted to the Education Stabilization Fund for HEERF under Section 18004 of the CARES Act. The HEERF program has several different methods for the distribution of the \$14 billion in funds to eligible institutions of higher education (institutions) based on a student enrollment formula and institution status:

- 90 percent (\$13 billion) under Section 18004(a)(1) to institutions using a formula based on student enrollment, in which at least 50 percent (according to Section 18004(c)) must be reserved to provide students with emergency financial aid grants to help cover expenses related to the disruption of campus operations due to COVID-19 (the “Student Aid Portion”; Catalog of Federal Domestic Assistance (CFDA) 84.425E) and the remainder of which may be used to cover any costs associated with significant changes to the delivery of instruction due to the COVID-19 (the “Institutional Portion”; CFDA 84.425F).
- 7.5 percent (\$1 billion) under Section 18004(a)(2) for grants for Historically Black Colleges and Universities, Tribally Controlled Colleges and Universities, and other Minority-Serving Institutions, as well as other institutions eligible for the Strengthening Institutions Program under parts A and B of title III, parts A and B of title V, and subpart 4 of part A of title VII of the Higher Education Act of 1965, as amended, to address needs directly related to the COVID-19 (CFDAs 84.425J, 84.425K, 84.425L, and 84.425M). This 7.5 percent is distributed based on the relative share of funding appropriated under the Further Consolidated Appropriations Act, 2020 (Public Law 116-94).
- 2.5 percent (\$349 million) under Section 18004(a)(3) for additional funds for institutions under part B of title VII of the Higher Education Act of 1965, as amended, through the Fund for the Improvement of Postsecondary Education (FIPSE), to prioritize schools that received less than \$500,000 under other parts of Section 18004 by distributing funds in an amount that, when added to funds received under Section 18004(a)(1) and Section 18004(a)(2), brings each

institution eligible to receive funds through the FIPSE program to an award amount of \$500,000 (CFDA 84.425N).

## **Reporting Requirements and Data Collection**

Institutions receiving funds under Section 18004 of the CARES Act are required to submit (in a time and manner required by the Secretary) a report to the Secretary describing the use of funds distributed from HEERF (Section 18004(e)). In April 2020, the U.S. Department of Education (Department) released guidance directing recipients to complete a Certification and Agreement for Recipient's Institutional Costs. The certification and agreement states that recipients will submit required quarterly reports to the Secretary, at such time and in such manner and containing such information as the Secretary may reasonably require. In October 2020, the Department hosted a webinar to provide an overview of HEERF grant reporting requirements. During the webinar, the Department released a quarterly public reporting form for Section 18004(a)(1) Institutional Portion, 18004(a)(2), and 18004(a)(3) funds.<sup>1</sup> Recipients must post the quarterly reporting form on their primary websites. Recipients were also encouraged to email the link to the Department for record-keeping purposes once reports were posted. The first report was due October 30, 2020, covering the period from first award through September 30, 2020. Subsequent reports are due quarterly and must be posted no later than 10 days after the calendar quarter.

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<sup>1</sup> <https://www2.ed.gov/about/offices/list/ope/heerf-quarterly-reporting-v131.pdf>

## Results

The objective of our inspection was to determine (1) whether selected institutions receiving funds under the Institutional Portion of HEERF met public reporting requirements and (2) the reported usage of the Institutional Portion of HEERF by selected institutions. We focused on the first quarterly report, due October 30, 2020, covering the period from the date of the first HEERF grant award through September 30, 2020.

We reviewed a nonstatistical sample of 100 institutions that received funding under Section 18004(a)(1) of the CARES Act to determine whether they met reporting requirements in the CARES Act and the *Recipient's Funding Certification and Agreement for the Institutional Portion of the Higher Education Emergency Relief Fund Formula Grants Authorized by Section 18004(a)(1) of the CARES Act*. Our sample consisted of the 20 institutions that received the highest amount of funding under the Institutional Portion of HEERF and a random sample of 80 institutions, consisting of 20 recipients randomly selected from each of 4 categories—State-Controlled Institutions of Higher Education, Private Institutions of Higher Education, Profit Organizations, and Other.<sup>2</sup> Of the 100 institutions included in our sample, 44 also received funding under Section 18004(a)(2); 6 institutions also received funding under Section 18004(a)(3).

A draft of this report was provided to the Office of Postsecondary Education (OPE) for comment. In its response, OPE acknowledged that while the report does not require a formal corrective action plan, it agreed with the suggestions noted and identified actions it is taking or plans to take to address them.

We did not make any substantive changes to the report as a result of OPE's comments. The full text of OPE's response is included at the end of this report.

## Compliance with Reporting Requirements

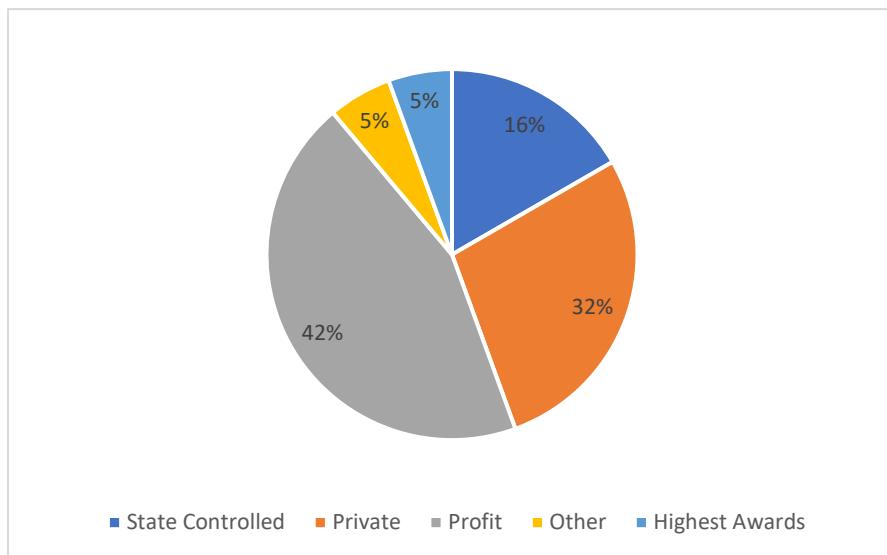
We determined that 81 of the 100 institutions included in our sample complied with Institutional Portion reporting requirements. We noted that 80 of the institutions posted reports on their websites dated on or before the October 30, 2020, deadline and that 1 posted a report dated October 31, 2020.

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<sup>2</sup> The Other category consists of all other institution types, as defined by the Federal Assistance Award Data System, that received Institutional Portion funds. Our sample included institutions categorized as Independent School Districts, Non-Profit Organizations, State, County or Local Governments, and Small Businesses.

We were unable to locate Institutional Portion reports anywhere on the websites associated with 19 of the 100 (19 percent) institutions included in our sample. These 19 institutions had drawn down over \$5.5 million out of almost \$29 million (19 percent) awarded to these institutions as of September 30, 2020, the end of the reporting period.<sup>3</sup> Eight of the 19 (42 percent) non reporting institutions were Profit Organizations. Six of the 19 institutions (32 percent) also received funding under Section 18004 (a)(2). [See Figure 1 for a breakdown of non-reporting sampled institution types.]

**Figure 1. Non-Reporting Sampled Institution Types**



As part of a different ongoing concurrent Office of Inspector General (OIG) HEERF review related to selected institutions' use of HEERF funds, we reviewed schools with risk factors<sup>4</sup> and identified four additional institutions that were not included in our sample for this review for which the audit team could not locate quarterly Institutional Portion reports. These four institutions had drawn down all of their awarded funds—over \$4 million as of September 30, 2020, the end of the reporting period.

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<sup>3</sup> Because funds awarded under Section 18004 are all reported on the same form, our review includes information related to Section 18004(a)(2) and Section 18004(a)(3) funding, where applicable, for schools that were selected as part of our sample of Section 18004(a)(1) schools that also received these funds.

<sup>4</sup> These institutions were identified as being on Federal Student Aid's quarterly heightened cash monitoring report dated September 1, 2020, had minimal grant experience, and/or were awarded more than \$1 million in HEERF Institutional and Student Aid Portion funds combined.

Further, we found that 6 of the 27 (22 percent) institutions in our sample that reported expenditures in the Other Uses category did not follow Department instructions or did not provide sufficient detail. Specifically, 1 of the 27 institutions that reported expenditures under the Other Uses category did not provide explanatory notes in accordance with Department instructions. We also noted that at least four institutions reported Other Uses expenditures that appeared to fall under another reporting category, including costs associated with transitioning to online instruction, refunds to students, and staff training. Finally, we noted that one institution described its Other Uses expenditures simply as “indirect costs” with no further explanation.

## Reported Usage of Funds

According to the posted quarterly reports, as of September 30, 2020, the 81 reporting institutions have spent over \$283 million (45 percent) of the total Institutional Portion funds obligated to them under Section 18004(a)(1). The 38 institutions that also received funds under Section 18004(a)(2) and the 6 institutions that received funds under Section 18004(a)(3) reported expenditures of 17 percent and 11 percent of obligated funds, respectively (see Table 1).

**Table 1. Percentage of Award Spent—All Reporting Sampled Institutions**

Fund	Total Amount Spent	Percentage Spent
(a)(1)	\$283,395,340	45%
(a)(2)	14,568,773	17%
(a)(3)	196,857	11%
<b>Total</b>	<b>\$298,160,970</b>	<b>42%</b>

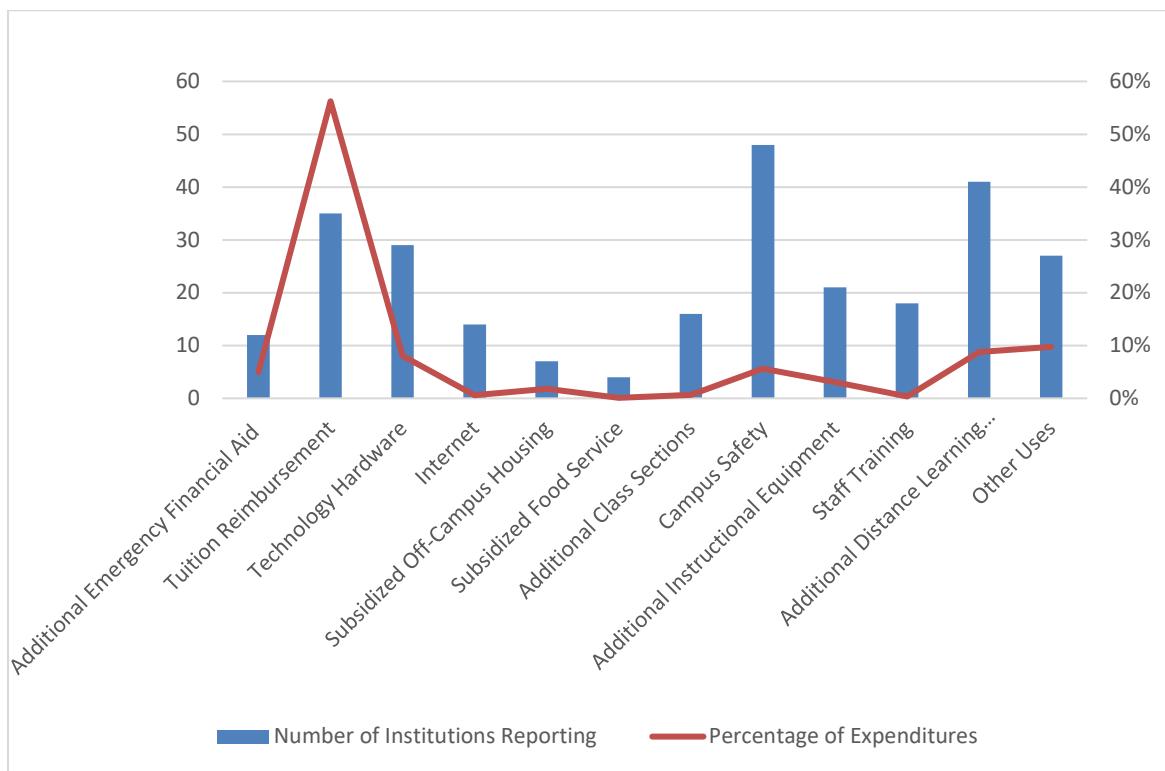
## Section 18004(a)(1)

Of the 81 institutions that reported, we noted that the most frequently reported expenditure categories for Section 18004(a)(1) funds included Campus Safety (48 institutions), Additional Distance Learning Equipment (41 institutions), Tuition Reimbursement (35 institutions), Technology Hardware (29 institutions), and Other

Uses<sup>5</sup> (27 institutions). The majority of Section 18004(a)(1) funds were spent on Tuition Reimbursement (56 percent).

Conversely, the least frequently reported categories by the 81 reporting institutions included Subsidized Off-Campus Housing (7 institutions) and Subsidized Food Service (4 institutions). Overall, institutions spent less than 4 percent of Section 18004(a)(1) funds on Subsidized Off-Campus Housing (2 percent), Additional Class Sections (.7 percent), Internet (.6 percent), Staff Training (0.4 percent), and Subsidized Food Service (0.1 percent). [See Figure 2 below for a breakdown per category of number of institutions reporting and percentage of expenditures reported.]

**Figure 2. Section 18004(a)(1) Reporting per Category—All Reporting Sampled Institutions**



A further breakdown of reported expenditures by institution type, to include top expenditure categories reported and top category by percentage of expenditures reported, is noted in Table 2 below.

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<sup>5</sup> Examples of Other Uses expenditures included faculty and staff payroll during transition to online instruction, costs to ship remote learning technology, rent, utilities, and other costs associated with reduced classroom capacity.

**Table 2. Breakdown of Reported Expenditures**

Institution Type	Top 3 Expenditure Categories (Percentage of Institutions Reporting)	Top Category (Percentage of Expenditures Reported)
Highest Awards	Tuition Reimbursement (68.4%) Campus Safety (57.9%) Additional Distance Learning Equipment (52.6%)	Tuition Reimbursement (56%)
State-Controlled Institutions	Campus Safety (52.9%) Technology Hardware (47.1%) Tuition Reimbursement (47.1%)	Tuition Reimbursement (60%)
Private Institutions	Tuition Reimbursement (50%) Campus Safety (35.7%) Additional Distance Learning Equipment (35.7%)	Tuition Reimbursement (91%)
Profit Organizations	Campus Safety (83.3%) Additional Instruction Equipment (58.3%) Additional Distance Learning Equipment (58.3%)	Technology Hardware (27%)
Other	Additional Distance Learning Equipment (73.7%) Campus Safety (68.4%) Other Uses (42.1%)	Campus Safety (26%)

Observations noted regarding reported expenditures include the following:

- Campus Safety was a reported expenditure category by all institution types. Reported uses of funds under this category included Personal Protective Equipment, hand sanitizer, cleaning supplies, and supplies and signage to promote social distancing.
- Tuition Reimbursement was a frequently reported expenditure category by State-Controlled Institutions, Private Institutions, and institutions receiving the highest award amounts.
- Additional Distance Learning Equipment was a frequent expenditure category by Private Institutions, Profit Organizations, institutions receiving the highest award amounts, and Other institutions. Reported uses of funds under this

category included equipment and software needed to support online instruction.

- Technology Hardware was an expenditure reported by almost half of State-Controlled Institutions; Additional Instructional Equipment was an expenditure reported by over half of Profit Organizations. Reported uses of Technology Hardware included laptops and software for student use. Reported uses of Additional Instructional Equipment included scientific mannequins and science kits for students to conduct laboratory sessions remotely.
- Over 40 percent of institutions in the Other category reported Other Uses for expenditures. These Other Uses included:
  - Administrative overhead;
  - Making registration forms available online and accessible;
  - Cost of student workers that would have been laid off because the campus was shut down;
  - Indirect costs;
  - COVID mitigation personnel expense;
  - Marketing;
  - Non-refundable travel;
  - Tuition assistance/scholarships for students whose education was negatively impacted due to the disruption of campus operations;
  - Support of employee remote work;
  - Travel disruption expenses;
  - Support of emergency non-tuition related student needs;
  - Loss of rental revenue; and
  - Costs associated with the significant changes to the delivery of instruction due to COVID-19.
- Tuition Reimbursement comprised the largest amount of expenditures for Private Institutions (91 percent), State-Controlled Institutions (60 percent), and institutions receiving the highest award amounts (56 percent).
- Technology Hardware comprised the largest amount of expenditures for Profit Organizations (27 percent); Campus Safety comprised the largest amount of expenditures for Other institutions (26 percent).

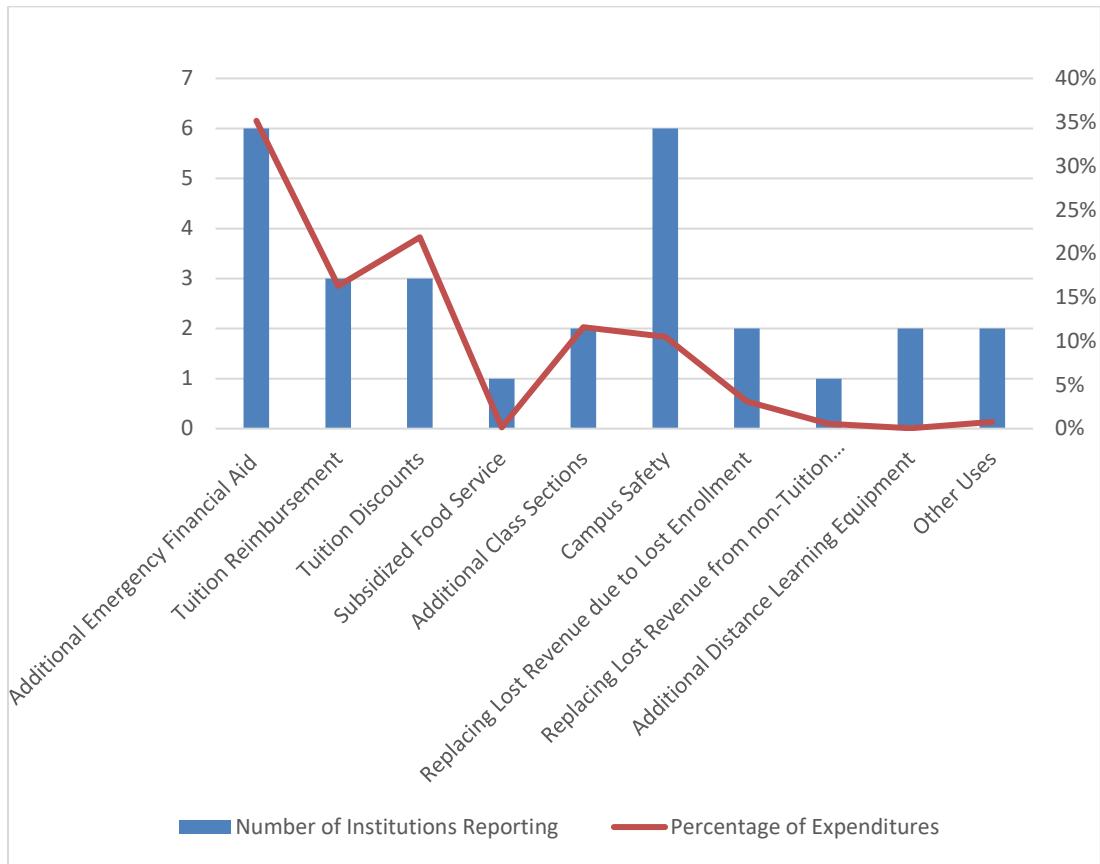
## **Section 18004(a)(2)**

While 38 of the 44 institutions that also received Section 18004 (a)(2) funds posted reports as required, only 18 reported expenditures of Section 18004(a)(2) funds during this reporting quarter. We noted that the most frequently reported expenditure categories for the 18 institutions<sup>6</sup> that received and reported Section 18004(a)(2) funds included Campus Safety (6 institutions), Additional Emergency Financial Aid Grants to Students (6 institutions), Tuition Reimbursement (3 institutions), and Tuition Discounts (3 institutions). The largest portion of Section 18004(a)(2) funds were spent on Additional Emergency Financial Aid Grants to Students (35 percent). However, only institutions in the Highest Awards and State-Controlled Institution categories reported any spending under this category. State-Controlled institutions reported the largest portion of their expenditures under Additional Class Sections; Other institutions reported the largest portion of their expenditures under Replacing Lost Revenue due to Lost Enrollment. The Private institution reported all of its expenditures in the Tuition Reimbursement category. [See Figure 3 below for a breakdown per category of number of institutions reporting and percentage of expenditures reported.]

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<sup>6</sup> Of the 18 institutions in our sample that received and reported expenditures of Section 18004(a)(2) funds, 6 were in the Highest Awards category, 7 were in the State-Controlled Institutions category, 1 was in the Private Institutions category, and 4 were in the Other category.

**Figure 3. Section 18004(a)(2) Reporting per Category—All Reporting Sampled Institutions**



### Section 18004(a)(3)

For the six institutions<sup>7</sup> in our sample that received Section 18004(a)(3) funds, while all six institutions reported, only two institutions reported Section 18004(a)(3) expenditures. Expenditures were reported in three categories: Replacing Lost Revenue—Non-Tuition, Additional Distance Learning Equipment, and Other Uses. The majority of 18004(a)(3) funds were spent on Replacing Lost Revenue—Non-Tuition (93 percent).

### Department Oversight Efforts

In discussions with OPE officials, they noted that they are monitoring institutional compliance with HEERF reporting requirements and that their initial focus was on Student Aid Portion reporting. With regard to Institutional Portion reporting, OPE officials noted that they are in the process of compiling a database of institutions that

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<sup>7</sup> Both institutions in our sample that received and reported Section 18004(a)(3) funds were in the Other category.

sent links to their quarterly Institutional Portion reports, similar to what they compiled for quarterly Student Aid Portion reporting. As of December 10, 2020, OPE officials stated that they had compiled links to Institutional Portion reports for approximately 1,500 institutions and indicated that they do verify that the reports are posted at the identified links. They have also recently begun searching for reports from institutions that did not provide links. During January 2021, they expect to be implementing the same process that they have implemented for the Student Aid Portion reports. This consisted of follow-up emails to institutions with missing reports or incorrect information. The officials noted that they would also likely follow up with institutions that did not provide enough context in the explanatory notes regarding the Other Uses category on the Institutional Portion reports. Institutions not complying with reporting requirements after several follow up attempts are receiving a formal letter. The letter identifies that the institution is not in compliance with reporting requirements and provides a date by which it must become compliant or else it will face enforcement actions. These actions include placing the institution in high-risk status and/or terminating the institution's HEERF grants.

## Other Matter

Section 18004(c) of the CARES Act allows institutions to use up to one-half of the total funds received under Section 18004(a)(1) to cover any costs associated with significant changes to the delivery of instruction due to COVID-19. The funding for the Institutional Portion is separate from the funding made available for the Student Aid Portion. Institutions must have previously entered into the funding certification and agreement for the Student Aid Portion to be eligible to receive funds for the Institutional Portion.

To determine whether institutions receiving an award under the Institutional Portion of HEERF had met this condition, we reviewed the universe of institutions that received an award under the Institutional Portion of HEERF to identify whether these institutions had previously received an award under the Student Aid Portion. We attempted to match Institutional Portion awards with Student Aid Portion awards based on Recipient Identification (Recipient ID), OPE Identification (OPE ID), Data Universal Numbering System (DUNS) number, Tax Identification Number (TIN), institution name and/or award amount. Overall, we found that 3 of 4,649 Institutional Portion awards did not match to a HEERF Student Aid Portion award based on any of the noted fields. We found weaknesses in matches associated with 16 additional Institutional Portion awards, to include the following:

- four Institutional Portion awards only matched Student Aid Portion awards by institution name and award amount. Other identifying information including Recipient ID, OPEID, DUNS, and TIN did not match;
- one Institutional Portion award had a Student Aid Portion award of \$0;
- one institution appeared to have a matching Student Aid Portion award based on the award amount and the first and last name of a specific individual identified as a contact person at the institution for the awards. However, because the institution name, Recipient ID, OPEID, DUNS number, and TIN do not match, it is unclear whether these awards are associated with the same institution;
- ten Institutional Portion awards matched to a Student Aid Portion award by institution name, award amount, and TIN. Other identifying information including Recipient ID, OPEID, and DUNS did not match.

We provided OPE officials with the detailed information associated with the anomalies identified above. After reviewing OPE's response in conjunction with associated information in G5, we still have concerns associated with two of the three awards for which we could not find an associated Student Aid Portion award. Student Aid Portion awards noted by OPE as matching awards appeared to already have another Institutional Portion award match that was not related to the Institutional awards we

noted and did not match on recipient name and/or award amount. Regarding the Institutional Portion award for which the Student Aid Portion award was \$0, OPE indicated that the Student Aid Portion was deobligated in error because of what appeared to be a duplicative application but did not note whether the funds had in fact been awarded or were being reobligated. Regarding the other anomalies noted, OPE essentially indicated agreement with the matches we noted and did provide matching OPEIDs for several of the awards but did not provide any explanations regarding why other identifying fields did not match. We are providing related suggestions below regarding the unresolved anomalies and note that we may perform additional work related to these issues in the future.

### **Suggestions**

We suggest that OPE further review the anomalies noted for awards without matching Student Aid Portion awards, ensure that funds were awarded to the recipient for which it mistakenly deobligated funds, and continue to research reasons for other anomalies noted related to recipient identifiers, taking needed corrective actions as warranted.

### **Office of Postsecondary Education Comments**

OPE stated that it agrees with the suggestions. It acknowledged the grant that was deobligated in error and stated that staff are currently working with the Office of the General Counsel to correct it. OPE stated that it will continue to conduct quality control checks to identify and correct any other anomalies. OPE noted that it has created a unit specifically dedicated to administering and monitoring HEERF grants for which it is currently in the hiring phase.

### **OIG Response**

OIG acknowledges OPE's plans to implement the noted actions to address the suggestions as well as OPE's noted efforts related to administering and monitoring HEERF grants.

## Appendix A. Scope and Methodology

To answer our objective, we reviewed the laws, criteria, and guidance related to HEERF reporting requirements. We conducted discussions with OPE officials and staff to gain an understanding of the program and efforts by the Department to ensure grantee compliance with reporting requirements. We also reviewed prior OIG, Government Accountability Office and other Federal agencies' reports related to our objective.

For the institutions included in our sample, we reviewed quarterly public reporting forms posted on institution websites to determine whether they met reporting requirements in the CARES Act and the *Recipient's Funding Certification and Agreement for the Institutional Portion of the Higher Education Emergency Relief Fund Formula Grants Authorized by Section 18004(a)(1) of the CARES Act*. In addition, we compiled information related to the expenditure categories reported by the institutions on their quarterly reports.

### Sampling Methodology

Using the Department's grants management system, G5, we identified a universe of 4,649 institutions that received HEERF funds specific to the Institutional Portion (CFDA 84.425F) under Section 18004(a)(1) of the CARES Act. We stratified the universe into four categories by institution type, as defined by the Federal Assistance Award Data System: State-Controlled Institutions of Higher Education, Private Institutions of Higher Education, Profit Organizations, and Other. We then selected a random sample of 20 institutions from each category, for a total of 80 institutions. Because we did not weight the sample results by their probabilities of selection, the percentages reported in this audit are not statistical estimates and should not be projected over the unsampled grants.

Our sample also included a judgmental selection of the 20 institutions receiving the highest award amounts. Since we selected these institutions judgmentally, results described in this report related to these institutions may not be representative of all institutions and should not be projected.

In total, we selected 100 institutions for review, representing \$649,726,605 of the \$6,126,606,069 awarded under the Institutional Portion of Section 18004(a)(1).

### Use of Computer-Processed Data

We relied on computer-processed data obtained from the Department's G5 system. We used G5 for the purpose of identifying the universe of grants awarded under Section 18004(a)(1) and related obligation and drawdown amounts. G5 is the official system of record for the Department's grants data and is widely used and relied on by Department

officials. As a result, we considered it to be the best available data for the purpose of our review.

## **Compliance with Standards**

We conducted fieldwork at Department offices in Washington D.C. from October 2020 through December 2020.

We conducted this inspection in accordance with the Council of the Inspectors General on Integrity and Efficiency's "*Quality Standards for Inspection and Evaluation*" as appropriate to the scope of the inspection described above. Those standards require that we plan the work to obtain sufficient and appropriate data and other information to provide a reasonable basis for our conclusions. We believe that the information obtained provides a reasonable basis for the conclusions contained in the report.

## Appendix B. Acronyms and Abbreviations

CARES Act	Coronavirus Aid, Relief, and Economic Security Act
COVID-19	Coronavirus Disease 2019
CFDA	Catalog of Federal Domestic Assistance
Department	U.S. Department of Education
DUNS	Data Universal Numbering System
FIPSE	Fund for the Improvement of Postsecondary Education
HEERF	Higher Education Emergency Relief Fund
institutions	Institutions of higher education
OIG	Office of Inspector General
OPE	Office of Postsecondary Education
OPEID	Office of Postsecondary Education Identification
Recipient ID	Recipient Identification
TIN	Tax Identification Number

## Office of Postsecondary Education Comments



### UNITED STATES DEPARTMENT OF EDUCATION OFFICE OF POSTSECONDARY EDUCATION

#### MEMORANDUM

**DATE:** February 18, 2021

**TO:** Bryon S. Gordon  
Assistant Inspector General for Audit

**FROM:** Michelle Asha Cooper, Ph. D  
Acting Assistant Secretary  
Office of Postsecondary Education

**SUBJECT:** Comments on Draft Audit Report-- “Higher Education Emergency Relief Fund Reporting Requirements,” ED-OIG/I20DC0013

Thank you for providing us the opportunity to comment on the draft audit report. We have reviewed the draft audit report, “Higher Education Emergency Relief Fund Reporting Requirements,” ED-OIG/I20DC0013 and are providing comments to the report through this memorandum. As requested, we are sending a copy of this memo, as a PDF file to Michele Weaver-Dugan, Regional Inspector General for Audit, Internal Operations/Philadelphia Audit Team ([Michele.Weaver-Dugan@ed.gov](mailto:Michele.Weaver-Dugan@ed.gov)). We are also including an electronic copy in a Microsoft Word file to meet accessibility requirements of Section 508 of the Rehabilitation Act of 1973, as amended.

It is our understanding that the objective of the inspection was to determine (1) whether selected institutions receiving funds under the Institutional Portion of HEERF met public reporting requirements and (2) the reported usage of the Institutional Portion of HEERF by selected institutions. Further, the report focused on the first quarterly report, which grantees were to post on their websites by October 30, 2020, covering the period from the date of the first HEERF grant award through September 30, 2020. Additionally, we acknowledge that while the report does not require a formal corrective action plan, we will address the suggestions included in the report.

We provide our specific comments on the draft report as follows:

**Suggestions – Office of Postsecondary Staff need to further review the anomalies noted for awards without matching Student Aid Portion award, ensure that funds were awarded to the recipient for which it mistakenly de-obligated funds, and continue to research reasons for other anomalies noted related to recipient identifiers, taking needed corrective actions as warranted.**

## **RESPONSE**

We agree with OIG's suggestions. The Department acknowledges the anomaly referenced in the sampling. The grant award P425E204186 was de-obligated in error because it was mistakenly identified as a duplicative application. During OIG's engagement with ED, OIG requested that ED review the "E" Student portion award and the "F" Institutional portion award match between applications P425F202830 and P425E204186. After staff reviewed the application, the error was identified, and staff is working with the Office of General Counsel to correct the obligation.

In reference to OIG's suggestion for OPE staff to continue to research any other possible anomalies, the Department acknowledges that it will continue to conduct quality control checks to identify and correct any other anomalies. To this end, given the additional workload that has been created for OPE staff, we have created a unit specifically dedicated to administering and monitoring HEERF grants. While we are still in the hiring phase for the unit, we have identified a Director for this unit.

Thank you for the opportunity to respond to the draft audit report. If you have questions about any of our comments, please contact [Karen.Epps@ed.gov](mailto:Karen.Epps@ed.gov) Director for the Emergency Assistance Response Unit.

cc: Michele Weaver-Dugan